REMARKS/ARGUMENTS

In the Office Action dated January 3, 2007, the amendment submitted on October 10, 2006 was found to be non-compliant due to the use of single brackets instead of double brackets for claims 56 and 76. Other than this change, the contents of claim amendments are the same as submitted on October 10, 2006, as are largely the contents of this section.

In the Office Action dated July 11, 2006, claims 1-76 remain pending, and were rejected. In the Office Action:

1) Regarding the IDS previously submitted, three references were not considered since copies were not provided for the corresponding references, which were non-patent or foreign patents. Applicant apologizes for the error by the prior prosecuting attorney, and has submitted the references.

   Applicant also informs the Examiner that the Applicant has submitted updated Power of Attorney information, reflecting that the firm of Alston & Bird (not Fenwick & West) is now prosecuting the present application.

2) Claims 28, 30, 36, and 67 were objected to because of various informalities. Applicant notes the suggestions provided by the Examiner and has amended the claims appropriately. Applicant submits the objections may be now withdrawn.

3) Claims 29 and 58 were rejected to under 35 U.S.C. § 112 as being indefinite due to lack of proper antecedent basis for certain limitations. Applicant has amended the claims to overcome the rejection, and requests the rejections be withdrawn.

4) Claims 68, 71, and 73-74 were rejected under 35 U.S.C. § 102(b) in light of U.S. Patent 5,878,400 ("Carter"). Applicant has cancelled claims 68 and 70, and has rewritten claim 69 into independent form with claims 73-74 depending from claim 69, thereby rendering the rejection moot. Applicant request that the rejections be withdrawn.

5) The remaining claims were variously rejected under 35 U.S.C. § 103(a) as being unpatentable in light of U.S. Patent 5,878,400 ("Carter") in view of various prior art references, namely:

   a. Claims 1-4, 7-10, 12-15, 17-19, 21, 24, 26-32, 34-36, 38, 41, 43-49, 52, 54, 56-58, 60, 63, 65-67, 69-70, and 75-76 were rejected 35 U.S.C. § 103(a) as being unpatentable over Carter in view of U.S. Patent 6,460,020 ("Pool").

   b. Claims 5-6, 33, and 50-51 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Carter, in view of Pool, and further in view of U.S. Patent 6,049,671 ("Slivka").

   c. Claims 11 and 53 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Carter, in view of Pool, and further in view of "Thurston, Charles W., "Mercosur's Size Requires Multiplicity in Ventures," Journal of Commerce, 5th ed., New York, March 17, 1999 ("Mecosur").

   d. Claims 16 and 55 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Carter, in view of Pool, and further in view of Hudgins, Christy, "International E-Commerce," Network Computing, November 15, 1999, pp. 75-92. ("Hudgins").

   e. Claim 20, 22-23, 37, 39-40, 59, and 61-62 are rejected 35 U.S.C. § 103(a) as being unpatentable over Carter, in view of Pool, and further in view of U.S. Patent Application No. 2004/0024739 ("Copperman").

   f. Claim 72 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Carter, in view of Hudgins.

Applicant is addressing the rejections of all these claims (except for claim 68, which has been cancelled).

DISCUSSION

In addressing the rejected claims as identified in part 5a-f above, each of the rejections relied upon the Carter reference for disclosing various limitations. Specifically, for independent claim 1 (and associated dependent claims 2-28), independent claim 29 (and associated dependent claims 30-45), and independent claim 46 (and associated 47-67), Carter was cited as disclosing the following limitations:

> a harmonized system (HS) module for storing information describing a country's HS tree, the HS tree having a hierarchy of nodes in which goods can be classified; and
>
> a tariffs module for storing information describing tariffs applicable to goods classified in nodes of the HS tree

In regard to newly formed independent claim 69 (and associated dependent claims 71-76), a similar limitation is found with respect to stored data describing the above.

Applicant submits that a *prima facia* case of obviousness has not been met and that the combination of references is improper, not does it render obvious the above limitations.

Carter is Nonanalgous Art

First, the Carter reference is nonanalogous art. "In order to rely on a reference as a basis for rejection of an applicant's invention, the reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned." (*In re Oetiker*, 977 F.2d 1443, 1446 (Fed. Cir. 1992) (MPEP 2141.01(a)). The Carter reference is neither in the field of applicant's endeavor, nor is it reasonably pertinent to the particular problem with which the inventor was concerned.

First, the field of the applicant's endeavor is providing landed costs. (See specification, page 8). The difficulty in providing landed costs, which include the total cost of shipping goods from a specified origin to a specified destination is that the freight insurance, customs tariffs,

taxes, currency exchange rates, fuel surcharges are out of the control of the user. Typically the seller and the buyer have a clear understanding of the price that the seller charges for the goods. However, the other costs listed above are beyond the control of the buyer and seller. Thus, providing the landed cost is difficult. "Landed costs" is not the selling price of the goods.

Carter discloses a price quotation system for the price of the goods that the seller will charge the buyer. Thus, Carter focuses on providing a "selling price" of the goods. Carter focuses on who is buying the goods, in order to ascertain any discounts (presumably from the retail price). (Carter, Abstract, col. 3). Discounts on price are ascertained based on who is buying what products. These variables are entirely within the control of the seller. In contrast, components of the landed cost, such as fuel surcharge, duties, exchange rates, etc. are not within the control of the buyer and seller, and do not depend on who is purchasing the good. For example, a seller cannot "fix" international exchange rates, nor ascertain what a third party will charge for a fuel surcharge.

Further, Carter is not reasonably pertinent to the particular problem which the inventor was concerned with. One aspect of the present invention pertains to determining the proper classification of goods for international trade purposes. Those skilled in the art of international trade will recognize that identifying the proper classification of a good via the harmonized tariff codes (HTC) is notoriously difficult. In fact, commercial practice of such a skill requires certification by the U.S. Government by way of the U.S. Customs Licensing Examination in order to become a certified import/export broker. In contrast, Carter deals with providing determining the appropriate discount to a purchaser of goods sold. It is a pricing system designed to accommodate discounts for purchasers of goods. It does not address international trade specific issues. In short, "purchasing" a good is not the same as "importing" a good.

Applicant submits that Carter is not analogous art for purposes of combining with other references.

A *Prima Facia* Case of Obviousness Has Not Been Established

Establishment of a *prima Facia* case of obviousness requires three criteria to be met. First, there must be some suggestion or motivation to combine or modify the references. Second, there must be reasonable expectation of success. Third, the prior references when combined must suggest or teach all the claimed limitations. *In re Vaeck,* 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991) (MPEP 2142).

1. No Motivation to Combine

The motivation to combine can come from the nature of the problem to be solved, the teachings of the prior art, and the knowledge of person of ordinary skill in the art. *In re Rouffet*, 149 F.3d 150, 1357, (Fed. Cir. 1998). The level of skill in the cannot be relied upon to provide the suggestion to combine references. *Al-Site Corp.* v. *VSI Int'l Inc.*, 174 F.3d 1308 (Fed. Cir. 1999).

Pool discloses an on-line shopping system where users can view products and their prices, on-line. (col. 5, line 45 –col. 6, line 4). The price is provided to the viewer, without consideration of who the viewer is, nor with consideration of what other products the viewer may purchase. There is no disclosure of the system identifying, or requiring the user to identify themselves, prior to presentation of the price of the goods. Further, there is no suggestion of altering the price based on what else the purchaser is buying.

Carter discloses a price quotation system that defines various rules as to what price for a good is quoted based on who the customer is, and what they are buying. Essentially, discounts are calculated. (Carter, col. 3). Carter notes the prior art required significant memory requirements, which precludes a sales representative from using a portable computer (col. 2, lines 60-65).

Carter appears to address a pricing system that can be used by a sales representative to provide price quotes for goods. It does not address the various costs associated with international, versus domestic purchases. Pool discloses providing international shoppers a landed cost via a system that integrates transactions performing the various steps of determining

costs associated with shipping the product. Pool does not suggest providing different prices to different purchasers, nor as a sales support tool. Pool presumes the price of the product is readily known.

The motivation to combine the references is variously stated in the office action to include the following, along with a comment as to why that is deficient for a motivation to combine the references:

- "Pool provides motivation in that using an HS module allows one to determine the real price of an international transaction" (p.6). However, Carter is not concerned with providing the purchaser with the all the various price components of an international transaction. The fact that Carter discloses "shipping" and "taxes" does not suggest that it deals with the specific issues of international shipping, nor does it suggest why it would be combined with the Pool reference.
- "[I]t was well known to a person of ordinary skill in the art at the time of applicant's invention that allowing remote communication between components of a system allows flexibility by not requiring components to be at the same location" (p. 8.) This does not provide any reason as to why Pool and Carter should specifically be combined.
- "Pool provides motivation in that proper documentation is needed so that a shipment can clear national customs" (p. 9). Carter does not address the problem of documentation required to clear national customs. Again, this does not provide a basis for combining the Pool and Carter reference.
- "[I]t was well known to a person of ordinary skill in the art at the time of applicant's invention that computer and programs can often perform tasks more quickly and accurately than humans" (p. 11). That statement is simply too broad to be motivation for combining Carter and Pool; by the same logic, it would provide motivation to combine any computerized process with any other computerized process.

2. The Combination of References Does Not Suggest All the Claimed Limitations

For a *prima Facia* case of obviousness to exists, all of the claim limitations must be taught or suggested by the prior art. "All words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson,* 424 F.2d 1382, 1385 (CCPA 1970). In the present rejections, the Carter reference is alleged to disclose the limitations of:

> a harmonized system (HS) module for storing information describing a country's HS tree, the HS tree having a hierarchy of nodes in which goods can be classified; and
>
> a tariffs module for storing information describing tariffs applicable to goods classified in nodes of the HS tree.

Telllingly, the Carter reference never uses the words "export", "import", "tariff," "international," or "duty." Clearly, if Carter were addressing the calculation of costs associated with importing goods, we could expect it to address tariffs and duties by name at some point in its disclosure. It is unreasonable to assert that Carter discloses determination the calculation of the duty associated with importing goods, when it does not ever disclose the concepts of "duty", "tariff", "import", or "customs."

The allegation in the Office Action that "the word 'tax' encompasses tariffs" is disingenuous. While in a broad sense, any government imposed fee is a "tax", to state that Carter deals with calculating duties based on the word "tax", is torturing the scope of Carter to an extent that is unreasonable. While Carter does use the term "tax", the first usage of that term in the detailed description (col. 7 line 8) refers to "state tax of Texas", clearly meaning a state sales tax, not a duty levied by an importing nation. Several other instances thereafter support that the use of "tax" refers to sales tax. (See, e.g., col. 11, lines 1-5). Later, the disclosure addresses adjustments after all the products have been selected (col. 11, lines 1-33) implying again, that a sales tax is applied.

Further, that "tax" equates to a "duty" (a.k.a. a "tariff") is contradicted by the very disclosure of the Pool patent cited by the Examiner, which clearly treats the two as different (see,

e.g., Pool, claim 15). Further, the present application distinguishes tax from duty (see, e.g., par. 29).

The determination of a duty requires first ascertaining the proper harmonization code for the product. This is not an easy determination, and each country maintains specific versions of the harmonized tariff descriptions. The limitation recites a "harmonized system (HS) module for storing information describing a country's HS tree" which is used for identifying the proper harmonized tariff code. The allegation in the Office Action that Fig. 4B of Carter discloses a harmonized system tree is incorrect. First, it discloses services by use of the words "support", "maintenance", "consulting", "upgrades". That by itself, demonstrates that Figure 4B is not a HS tree, since only products are involved in a Harmonized System, not services.

Further, consulting the cited references, it is clear that the figures refer to goods sold, not goods imported. The word "price" clearly refers to the amount charged by the seller to the purchaser, and the adjustments are made based on who is purchasing the goods. Duties are paid by entities importing a good (e.g., the purchaser) to the government. The duty is not part of the "price" of the good sold by the seller. In short, a "duty" is not a "price," but the amount levied for importing a good. The cited figures in Carter pertain to determining what are the prices of the goods are sold to a customer, and the prices are determined by the seller at their discretion. While the tax is paid by the purchaser, it is typically collected by the seller for goods sold. A seller typically does not collect "duty". That is collected by the government to which the good is being imported into.

Further, although the seller may determine the price of the good sold, the HS system is includes portions that are internationally agreed to and portions that are country specific (see, specification, par. 56). These tables are determined by the government and are not determined by the seller..

Further, Carter does not disclose "a tariffs module for storing information describing tariffs applicable to goods classified in nodes of the HS tree." The disclosure of "tax" in Carter cannot be a duty, since Carter discloses the tax as a "price adjustment" that is calculated after all the cost of the goods are tallied (col. 9, lines 1-38). Tariffs are specific to the individual good.

As noted in the specification, an electric motor of 37 watts may have a different tariff code than a 38 watt motor (par. 75), and thus could have different duties. Disclosing a "tax" as an adjustment applying to a set of purchased good is clearly not a duty.

In support of these arguments, Applicant submits a declaration by Dr. Nagesh Kadaba, an employee of the assignee of the present invention, who has experience in international trade and logistics. The declaration supports the conclusion that the Carter reference does not disclose a harmonized tariffs schedule.

Because a *prima Facia* case of obviousness has not been established, the rejections based on the combination of Carter must fail. Because Carter has been relied upon for disclosure of certain limitations, the various combinations involving Pool, Slivka, Mecosur, Hudgins, and Copperman are deficient. Therefore, the rejections for claims associated with these are associated references are respectfully requested to be withdrawn.

Applicant has noted the Examiner's request the Applicant fully consider the references in their entirety as potentially teaching all or part of the claimed in invention. In this regard, applicant notes that Carter, in its entirety, discloses a system for providing quotations to purchasers of goods, where the problem addressed by Carter appears to be providing a system and method for determining the appropriate discount to the purchaser. The concept of adding sales tax and shipping is minimally disclosed, and there is no disclosure found pertaining to import or export requirements. Applicant submits that quoting a purchase price, along with domestic shipping or sales tax computation, is fundamentally distinct from import/export regulations and tariff computation.

In respect to claims 68-75, Applicant has cancelled claims 68 and 70, and rewritten claim 69 into independent form by incorporating the limitations of claim 68. The subsequent remaining claims have been rewritten to depend from claim 69, and therefore incorporate the limitations from claim 69. Applicant submits these claims are patentable over the prior art for the reasons set forth above.

CONCLUSION

It is not believed that extensions of time or fees for net addition of claims are required, beyond those that may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 CFR § 1.136(a), and any fee required therefore (including fees for net addition of claims) is hereby authorized to be charged to Deposit Account No. 16-0605.

Respectfully submitted,

Karl Koster

Karl Koster
Registration No. 50,684

Customer No. 00826
ALSTON & BIRD LLP
Bank of America Plaza
101 South Tryon Street,
Suite 4000
Charlotte, NC 28280-4000
Tel Atlanta Office (404) 881-7000
Fax Atlanta Office (404) 881-7777

CERTIFICATION OF ELECTRONIC FILING

I hereby certify that this paper is being filed via the Electronic Filing System (EFS) to the United States Patent and Trademark Office on the date shown below.

SMOORE — Shana Moore

1.22.07 — Date

ELECTRONICALLY FILED USING THE EFS-WEB ELECTRONIC FILING SYSTEM OF THE UNITED STATES PATENT & TRADEMARK OFFICE ON January 22, 2007.